

## COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.  
Director

ROBIN KAY, Ph.D.  
Chief Deputy Director

RODERICK SHANER, M.D.  
Medical Director



BOARD OF SUPERVISORS

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## DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601  
Fax: (213) 386-1297

February 07, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO AMEND NINE LEGAL ENTITY AGREEMENTS TO  
IMPLEMENT INNOVATION - INTEGRATED MOBILE HEALTH TEAM SERVICES  
(SUPERVISORIAL DISTRICTS 1,2,3 and 4)  
(3 VOTES)**

### **SUBJECT**

Request approval to amend nine existing Legal Entity agreements to add Mental Health Services Act - Innovation funding for the provision of Integrated Mobile Health Team services.

### **IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute Amendments, substantially similar to Attachment I, to add Mental Health Services Act (MHSA) Innovation (INN) funding to nine existing Department of Mental Health (DMH) Legal Entity (LE) Agreements as listed in Attachment II, to provide Integrated Mobile Health Team (IMHT) services. The Amendments will be effective upon Board approval through June 30, 2014. The Maximum Contract Amounts (MCAs) for each LE will be increased by the amounts listed in Attachment II for Fiscal Year (FY) 2011-12, FY 2012-13 and FY 2013-14.
2. Delegate authority to the Director, or his designee, to prepare, sign, and execute future amendments to these LE Agreements, as necessary, and establish as a new MCA the aggregate of the original Agreement and all amendments, provided that: 1) the County's total payments to each contractor under the Agreement for each FY does not exceed an increase of 20 percent from the applicable Board-approved MCA; 2) any such increase will be used to provide additional services or to reflect program and/or Board policy changes; 3) your Board has appropriated sufficient funds for all changes; 4) approval of County Counsel, or designee, is obtained prior to such amendment; 5)

County and Contractors may, by written amendment, mutually agree to reduce programs, services; and 6) the Director notifies your Board and the Chief Executive Officer (CEO) of Agreement changes in writing within 30 days after execution of each amendment.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Board approval is required to execute Amendments to nine (9) existing LE Agreements with Behavioral Health Services, Inc., Exodus Recovery Inc., JWCH Institute, Inc., Mental Health America of Los Angeles, Ocean Park Community Center, South Central Health and Rehabilitation Program, Special Services for Groups, St. Joseph Center and Step Up On Second, Inc. to implement MHSA INN IMHT services. DMH selected these contractors to implement these services through a competitive solicitation process.

The MHSA INN plan is the final MHSA plan to be implemented in Los Angeles County. The State Department of Mental Health (SDMH) guidelines define INN projects as novel, creative and/or ingenious mental health practices/approaches that contribute to learning and that are developed within communities through a process that is inclusive and representative, especially of unserved, underserved and inappropriately served individuals. INN projects will be measured by what is learned rather than by program or client-specific outcomes. SDMH expects that the results and lessons learned from INN projects will be important aspects to consider in transforming the current mental health system.

As required by SDMH, DMH's MHSA INN plan was developed through a community planning process. Throughout this process, stakeholders expressed that the mental health, physical health and substance abuse care that is currently provided in Los Angeles County is fragmented, ineffective, and does not fully meet the needs of communities. To address this concern, stakeholders proposed implementation of four (4) integrated service models including the IMHT, Integrated Clinic Model, Integrated Service Management Model and Peer-Run Integrated Service Management Model.

The IMHT is designed to improve and better coordinate the quality of care for individuals with Severe Mental Illness (SMI) or Severe Emotional Disturbance (SED) who are homeless or have recently moved into Permanent Supportive Housing (PSH) and have other vulnerabilities. Vulnerabilities include but are not limited to age, years homeless, substance abuse and/or other physical health conditions that require ongoing primary care. Improving the quality of care will be accomplished by having the IMHT consist of multidisciplinary staff that works as one (1) integrated team to provide mental health, physical health and substance abuse services.

IMHT services are also intended to increase immediate access to housing by assisting individuals who are homeless and their families, if applicable, to locate and secure a housing option of their choice. These housing options include PSH. The IMHT will partner with PSH developer(s) that will dedicate units to clients and families served by the IMHT.

IMHT services will maximize MHSA INN funding, increase the number of individuals served and establish sustainable revenue by leveraging Federally Qualified Health Center (FQHC) services and other funding resources. The IMHT's learning objectives, if accomplished, could help guide both policy decisions and resource allocation for DMH for years into the future.

Some of the LE providers who will be awarded INN IMHT funding will be partnering with other providers who also have LE Agreements with DMH. Attachment II identifies the Prime and Partnering LEs. In these situations, the Prime LE becomes the lead and serves as the IMHT's one point of supervision. The Prime LE will be responsible for ensuring that the IMHT operates under one set of administrative and operational policies and procedures, that the services provided are integrated and coordinated, and an integrated medical record/chart is used. The IMHT LEs will be evaluated for effectiveness relative to degree of integration, access to and quality of care, community improvement, and stakeholder satisfaction and cost.

### **Implementation of Strategic Plan Goals**

The recommended actions support the County's Strategic Plan Goal 4, Health and Mental Health. This program will also help support the County's effort to end homelessness.

### **FISCAL IMPACT/FINANCING**

The FY 2011-12 annual MCAs for each LE Agreement, as shown on Attachment II, is based on the amount contained in the FY 2011-12 Final Adopted Budget and are funded from the following sources:

1)	Mental Health Services Act INN	\$ 3,975,496	
2)	Federal Financial Participation	\$ 323,970	
3)	Early and Periodic Screening, Diagnostic and Treatment		\$ 30,773
4)	State General Fund	\$ 26,582	
Total		\$ 4,356,821	

Funding estimates for FY 2012-13 and FY 2013-14 are shown on Attachment II and will be requested through DMH's annual budget request process.

There is no net County cost associated with the recommended actions.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The nine (9) LEs are located in four (4) Supervisorial Districts (SD); 1, 2, 3 and 4 and will provide services in four (4) Service Areas (SA); 4,5,6 and 8 of the Los Angeles County.

MHSA INN funds will be used in compliance with Welfare and Institutions Code Section 5891 and California Code of Regulations (CCR), Title 9, Section 3410, Non-Supplant. The draft INN Work Plan was available for stakeholders review and comment from October 20, 2009 through November 19, 2009 and a public hearing was held on November 19, 2009 by Mental Health Commission.

The attached Agreement format has been approved as to form by County Counsel. The CEO has been advised of the proposed actions. DMH will continue to supervise and monitor adherence to the LE Agreements' provisions, DMH policies and performance outcomes to ensure that quality services are being provided to clients.

In accordance with your Board Policy Manual, Section 5.120, Authority to Approve Increases to Board Approved Contract Amounts requirements, DMH notified your Board on December 22, 2011, (Attachment III), identifying and justifying the need for requesting a percentage increase exceeding 10 percent that has been reviewed by the CEO.

### **CONTRACTING PROCESS**

On December 13, 2010, DMH issued the MHSA INN IMHT Request for Services (RFS) No. 1 to identify qualified agencies to implement IMHT services. DMH announced the release of the RFS by mailing letters along with a compact disc to agencies on the Department's MHSA Master Agreement List. Agencies were required to attend a Mandatory Proposers' Conference and there were a total of six (6) proposals received by the February 22, 2011 deadline. These agencies submitted proposals in collaboration with other LEs. Five (5) of the six (6) proposers were successful and they along with their four (4) partnering LEs will receive contract awards. After notification of the RFS results, the unsuccessful proposer was given the opportunity to request a formal debriefing. Consequently, the agency submitted a request for a formal debriefing. Following the requested debriefing, the agency was further presented an opportunity to pursue a Proposer Contractor Selection Review. However, the Department did not receive a response from the agency by the timeframe specified for this next step.

The IMHT RFS Evaluation Committee was comprised of three (3) evaluators and a facilitator. The Evaluation Committee used a RFS No. 1 specific standardized evaluation tool and an informed averaging process to arrive at final scores.

The Department's Executive Management Team reviewed the Evaluation Committee's finalized evaluation ratings and approved to recommend to your Board awards to five (5) Prime LEs and four (4) Partnering LEs. These LEs are qualified to provide INN IMHT services and there is sufficient funding to award contracts to these agencies.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Implementation of MHSA INN services will have a positive impact on the current mental health system because it will introduce a new method of providing mobile integrated mental health, physical health and substance abuse services to individuals who have a SMI or SED and are homeless and will assist those with transitioning into and retaining permanent supportive housing.

The Honorable Board of Supervisors

2/7/2012

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Respectfully submitted,

A handwritten signature in dark ink, reading "Mg Southard". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

MARVIN J. SOUTHARD, D.S.W.

Director of Mental Health

Marvin J.  
Southard, D.S.W.  
Director

MJS:KD:MF

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Chairperson, Mental Health Commission

CONTRACT NO. MH120AMENDMENT NO.   

THIS AMENDMENT is made and entered into this    day of           , 2012, by and between the COUNTY OF LOS ANGELES (hereafter "County") and                                    (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated                   , identified as County Agreement No.                   , and any subsequent amendments (hereafter collectively "Agreement") **(if applicable)**; and

WHEREAS, for Fiscal Year (FY) 2011-12 and any subsequent fiscal year(s) during the term of this agreement **(if applicable)**, County and Contractor intend to amend Agreement only as described hereunder; and

WHEREAS, on January 30, 2010, State Department Mental Health (SDMH) released the Innovation (INN) guidelines as follows: novel, creative and/or ingenious mental health practices/approaches that contribute to learning, and that are developed within communities through a process that is inclusive and representative, especially of unserved, underserved and inappropriately served individuals; and

WHEREAS, subsequently DMH developed the INN Plan in accordance with Stakeholder recommendations; and

WHEREAS, based on community input, DMH developed four INN models that address the needs, priority populations, and special sub-populations selected by the Stakeholders: Integrated Clinic Model, Integrated Mobile Health Team Model,

Community-Designed Integrated Service Management Mode, and Integrated Peer-Run Model; and

WHEREAS, Contractor is being selected pursuant to Mental Health Services Act (MHSA) Request for Service-Integrated Mobile Health Team (IMHT) Model and Contractor has agreed to implement services as stated in the Service Exhibit.

WHEREAS, for Fiscal Years (FYs) 2011-12, 2012-13 and 2013-14 (if **applicable**), County and Contractor intend to amend this Agreement to add MHSA INN-IMHT funds in the amount of \$\_\_\_\_\_, \$\_\_\_\_\_, and \$\_\_\_\_\_, to provide mobile integrated mental health, physical health and substance abuse services to individuals who have Severe Mental Illness (SMI) or Severe Emotional Disturbance (SED) and are homeless; and

WHEREAS, for FYs 2011-12, 2012-13, and 2013-14 (if **applicable**), the revised Maximum Contract Amounts (MCA) will be \$ \_\_\_\_\_, \$ \_\_\_\_\_, and \$ \_\_\_\_\_, (if **applicable**) respectively; and

WHEREAS, for FY 2011-12 and any subsequent fiscal year(s) during the term of this Agreement (if **applicable**), County and Contractor intend to amend Agreement to add Provider No. TBD, located at \_\_\_\_\_; and (if **applicable**)

WHEREAS, County and Contractor intend to amend Agreement to add the following Service Exhibit: MHSA INN-IMHT, which is attached hereto.

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. For FYs 2011-12, 2012-12 and 2013-14, (if **applicable**), MHSA INN-IMHT funds are added in the amount of \$\_\_\_\_\_, \$\_\_\_\_\_, and \$\_\_\_\_\_, to

allow Contractor to provide mobile integrated mental health, physical health and substance abuse services to individuals who have Severe Mental Illness (SMI) or Severe Emotional Disturbance (SED) and are homeless.

2. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment II, Paragraphs C (Reimbursement for Initial Period) shall be deleted in its entirety and the following substituted therefore:

**"C. REIMBURSEMENT FOR INITIAL PERIOD**

(1) The Maximum Contract Amount for the Initial Period of this Agreement as described in Paragraph 1 (TERM) of the Legal Entity Agreement shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) and shall consist of Funded Programs as shown on the Financial Summary.

**D. REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED**

(1) Reimbursement For First Automatic Renewal Period: The Maximum Contract Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) and shall consist of Funded Programs as shown on the Financial Summary. **(if applicable)**

(2) Reimbursement For Second Automatic Renewal Period: The Maximum Contract Amount for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed \_\_\_\_\_



\_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) and shall consist of  
Funded Programs as shown on the Financial Summary.” **(if applicable)**

3. Financial Summary - \_ for FY 2011-12, shall be deleted in its entirety and replaced with Financial Summary - \_ for FY 2011-12 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - \_ for FY 2011-12, shall be deemed amended to state “Financial Summary - \_ for FY 2011-12.”
4. Financial Summary - \_ for FY 2012-13, shall be deleted in its entirety and replaced with Financial Summary - \_ for FY 2012-13 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - \_ for FY 2012-13, shall be deemed amended to state “Financial Summary - \_ for FY 2012-13.” **(if applicable)**
5. Financial Summary - \_ for FY 2013-14, shall be deleted in its entirety and replaced with Financial Summary - \_ for FY 2013-14 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - \_ for FY 2013-14, shall be deemed amended to state “Financial Summary - \_ for FY 2013-14.” **(if applicable)**
6. Financial Summary Subprogram Schedule - \_ for FY 2011-12, shall be deleted in its entirety and replaced with Financial Summary Subprogram Schedule - \_ for FY 2011-12 attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary Subprogram Schedule - \_ for FY 2011-12, shall be deemed amended to state “Financial Summary Subprogram Schedule - \_ for FY 2011-12.”

7. A Service Exhibit for "MHSA INN-IMHT" services is added to this Agreement and incorporated herein.
8. Attachment V, Service Delivery Site Exhibit - \_ shall be deleted in its entirety and replaced with Attachment V, Service Delivery Exhibit - \_ attached hereto and incorporated herein by reference. All references in Agreement to Service Delivery Site Exhibit - \_, shall be deemed amended to sate "Service Delivery Site Exhibit - \_."
9. Attachment VI, Service Exhibits - \_, shall be deleted in its entirety and replaced with Attachment VI, Service Exhibits - \_ attached hereto and incorporated herein by reference. All references in Agreement to Service Exhibits - \_, shall be deemed amended to sate "Service Exhibits - \_."
10. Contractor shall provide services in accordance with Contractor's FY \_\_\_\_\_ Negotiation Package for this Agreement and any addenda thereto approved in writing by director.
11. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
MARVIN J. SOUTHARD, D.S.W.  
Director of Mental Health

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Chief, Contracts Development  
and Administration Division

COUNTY OF LOS ANGELES -- DEPARTMENT OF MENTAL HEALTH  
COUNTYWIDE HOUSING, EMPLOYMENT & EDUCATION RESOURCE DEVELOPMENT

Mental Health Services Act Innovation -- Integrated Mobile Health Team (IMHT)

CONTRACT AMOUNTS FOR FY 2011-12, 2012-13, 2013-14

Agency	Legal Entity (LE)	Sup. Dist. (HQ)	Service Area (HQ)	Innovation Funding FY 2011-12*	Revised MCA	Innovation Funding FY 2012-13	Estimated MCA	Innovation Funding FY 2013-14	Estimated MCA
<b>PRIME CONTRACTOR 1</b>									
Exodus Recovery, Inc.	00527	2	5	\$ 897,511	\$ 14,677,475	\$ 1,760,684	*	\$ 1,778,622	*
<b>PRIME CONTRACTOR 2</b>									
Step Up on Second, Inc.	00215	3	5	\$ 784,988	\$ 3,974,912	\$ 1,544,995	\$ 4,484,201	\$ 1,626,066	\$ 4,332,469
<b>PARTNERING CONTRACTOR 2A</b>									
Special Service for Groups	00214	1	4	\$ 30,857	\$ 31,258,751	\$ 60,022	*	\$ 60,022	*
<b>PRIME CONTRACTOR 3</b>									
St. Joseph Center	00218	3	5	\$ 525,466	\$ 1,604,617	\$ 968,643	\$ 2,052,198	\$ 905,165	\$ 1,646,986
<b>PARTNERING CONTRACTOR 3A</b>									
Ocean Pacific Community Center	00305	3	5	\$ 412,065	\$ 836,669	\$ 735,758	*	\$ 692,994	*
<b>PRIME CONTRACTOR 4</b>									
JWCH Institute, Inc.	01563	1	4	\$ 395,001	\$ 715,053	\$ 850,000	\$ 1,150,052	\$ 850,000	**
<b>PARTNERING CONTRACTORS 4A</b>									
Behavioral Health Services, Inc.	01150	2	4	\$ 83,832	\$ 814,870	\$ 190,000	\$ 911,204	\$ 190,000	\$ 911,204
South Central Health and Rehabilitation Program	00506	2	6	\$ 363,034	\$ 8,544,285	\$ 822,281	\$ 7,916,512	\$ 822,281	**
<b>PRIME CONTRACTOR 5</b>									
Mental Health America of Los Angeles	00200	4	8	\$ 864,086	\$ 16,326,931	\$ 1,711,625	\$ 16,538,667	\$ 1,660,355	**
<b>TOTAL</b>				\$ 4,356,820	\$ 78,753,563	\$ 8,644,008	\$ 33,052,834	\$ 8,585,505	\$ 6,890,659

\*Contract will be renewed on 7/1/2012 for a three (3) year term.

\*\* Contract will be renewed on 7/1/13 for a three (3) year term.

## COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.  
Director

ROBIN KAY, Ph.D.  
Chief Deputy Director

RODERICK SHANER, M.D.  
Medical Director



## BOARD OF SUPERVISORS

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## DEPARTMENT OF MENTAL HEALTH

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Reply To: (213) 738-4601  
Fax: (213) 386-1297

<http://dmh.lacounty.gov>

December 21, 2011

TO: Each Supervisor  
*Robin Kay for*  
FROM: Marvin J. Southard, D.S.W.  
Director

SUBJECT: **REQUEST TO INCREASE DELEGATED AUTHORITY PERCENTAGE FOR THE MENTAL HEALTH SERVICES ACT - INNOVATION - INTEGRATED MOBILE HEALTH TEAM BOARD LETTER FOR FISCAL YEARS 2011-12, 2012-13, and 2013-14**

This memorandum is to comply with Board Policy Manual, Section 5.120, Authority to Approve Increases to Board Approved Contract Amounts. The Policy mandates that any department requesting a percentage increase exceeding ten percent of the total contract amount must provide a detailed justification and advance written notice to your Board, with a copy to the Chief Executive Officer, at least two weeks prior to the Board Meeting at which the proposed contract is to be presented.

The Department of Mental Health (DMH) is requesting an additional ten percent for a total of twenty percent authority to amend the existing DMH Legal Entity Agreements with Behavioral Health Services, Inc. (BHS), Exodus Recovery Inc. (Exodus), JWCH Institute, Inc. (JWCH), Mental Health America of Los Angeles (MHA), OPCC, South Central Health and Rehabilitation Program (SCHARP), Special Services for Groups (SSG), St. Joseph Center and Step Up On Second, Inc. (Step Up) to implement Mental Health Services Act - Innovation - Integrated Mobile Health Team Services. This authority will allow DMH greater capacity to amend contracts for new funding streams and programs/services and implement such program/services in a more timely and expeditious manner. Therefore, in most instances where speed and response time are of key importance, the objectives to maximize, prioritize and increase access to services will more effectively meet the County's mission "To Enrich Lives through Effective and Caring Services."

Should there be a need to exceed the twenty percent delegated authority, DMH will return to your Board with a request for authority to amend the Agreements accordingly. If you have any questions or concerns, please contact me, or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:RK:lr

c: Executive Officer, Board of Supervisors  
Chief Executive Officer  
County Counsel  
Robin Kay, Ph.D.  
Margo Morales

Maria Funk, Ph.D.  
Deputy Directors  
District Chiefs  
Kimberly Nail  
Richard Kushi